

Weekly Economic Snapshot

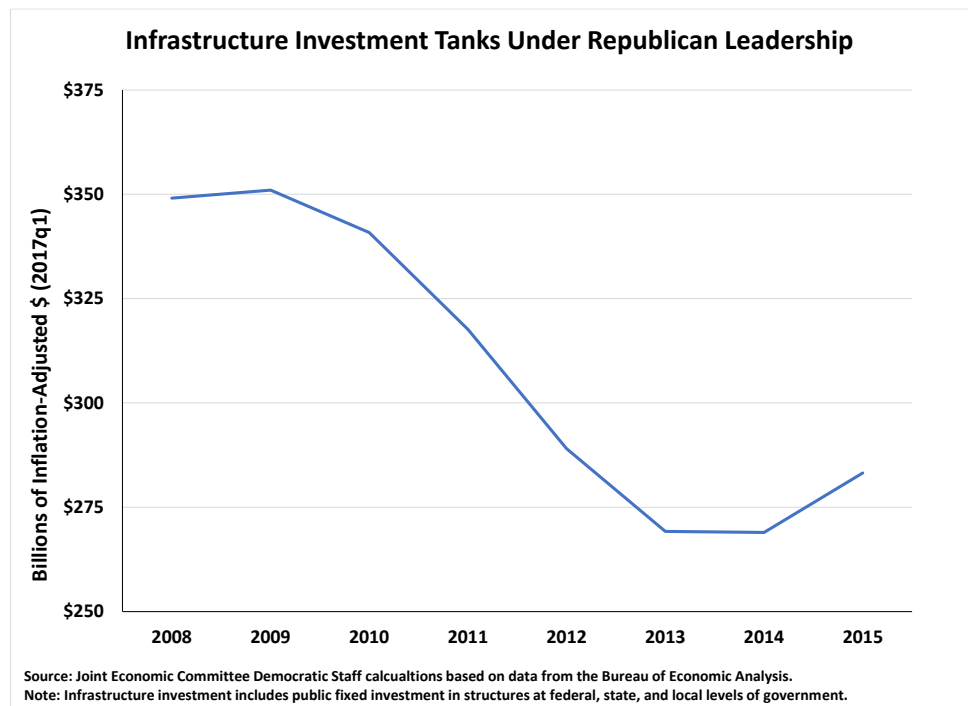
July 10, 2017

Joint Economic Committee Democratic Staff

Economic Facts for this Week

- With GDP growth of just 1.4 percent in the first quarter of 2017, the TrumpEconomy is falling far short of promised outcomes. The economy will need to [average 3.5 percent growth](#) for the remaining 3 quarters of the year to even hit Trump's least outrageous growth prediction of 3 percent—a feat we have not managed since 2014.
- In the most recent [reading on the economy](#), 28 states saw job growth slow in May while 22 states saw job losses.
- [2.9 million rural Americans](#) stand to lose health care coverage by 2020 if the Senate Republicans' Better Care Reconciliation Act goes through, including 1.7 million who gained coverage from state Medicare expansion.

Chart of the Week



Most people agree that the United States economy is in dire need of expanded infrastructure investment to create jobs, reduce costs of doing business, and make our economy more productive. However, with Republicans in control of the federal budget process, along with many state budgets, Americans have seen public investments in infrastructure and other fixed assets plummet. Following the Republican takeover of the House of Representatives and 20 state legislatures in the 2010 election and the subsequent push for austerity, such public investments

fell to a low of \$274 billion in 2014 from more than \$357 billion in 2009, adjusted for inflation. Had Republicans instead maintained infrastructure investment growth at the level it was at in the 2000s, the U.S. economy would have benefitted from an additional \$540 billion in investment over the last 5 years.

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- In a review of the U.S. macroeconomic outlook, the International Monetary Fund, or IMF, [warned](#) that the Trump administration and Republican Congress's policy agenda would disproportionately harm low- and middle-income households and is creating "significant policy uncertainties."
- Economists at the Cleveland Fed find that U.S. [wealth mobility](#) has been decreasing since the early 1980s. Sixty-three percent of households in the bottom 20 percent of the wealth distribution in 1984 remained at the bottom in 1994, while only 2 percent made it to the top. With equality of opportunity, one would expect about 20 percent of people to remain at the bottom.
- New [research](#) finds that early education programs for disadvantaged youth like Head Start, followed by later complementary investments in K-12 education, can break the cycle of poverty, increasing educational attainment and adult wages and decreasing the probability of incarceration.

Coming This Week

- *Tuesday 10:00am:* Job Openings and Labor Turnover Survey (JOLTS) for May 2017 - <https://www.bls.gov/news.release/jolts.nr0.htm>
- *Friday 8:30am:* Consumer Price Index for June 2017 - <https://www.bls.gov/news.release/cpi.toc.htm>
- *Friday 8:30am:* Real Earnings for June 2017 - <https://www.bls.gov/news.release/realer.toc.htm>